

**Governor's Workforce Investment Board  
Economic Development and Business Retention Committee**

**Red Lion Colonial Inn, Helena, Montana  
June 8, 2006**

**DRAFT MINUTES**

**Committee Members Present:** Mike Grove, Chair; John Beaudry, Maureen Kenneally, and Tony Preite.

**Committee Members Absent:** Evan Barrett, Llew Jones, John Prinkki, and Karen Sullivan.

**Staff:** Chris Wilhelm and Jessica Snyder.

**Guests:** Jack Hardy, Tom Frisby, Mary Berg, Gary Wright, Annette Miller, Arlene Parisot, Ginger Shepherd, Jay Reardon, Shannon Harrison, Darla Joyner, Emily Lipp Sirota, Becky Reidl.

**Welcome and Introductions**

Committee Chairman, Mike Grove, called the meeting to order at 1:33 p.m. Jessica Snyder conducted roll call. A quorum was not reached. Chris Wilhelm reviewed the documents presented to committee members.

**Approve Agenda**

The agenda was approved by the members present.

**Approve Meeting Minutes- 4/7/2006**

Tony Preite reported a correction of the minutes from the April 7, 2006 meeting. Mr. Preite stated on page one, the Department of Commerce is responsible for 3.5 million of the 5 million awarded for the first year. The minutes were informally approved due to lack of a quorum.

**News from Commerce**

Tony Preite stated Governor Schweitzer, Labor Commissioner Keith Kelly, Economic Development Director Evan Barrett, Commerce Director Tony Preite, Ag Director Nancy Peterson, Commissioner's Office of Higher Education Dr. Arlene Parisot, and Assistant Secretary of Labor for Employment and Training Emily Stover DeRocco met in Billings on May 17-19, 2006 to kick-off Montana's WIRED Initiative. The group traveled to Havre to visit Montana State University- Northern and the faculty presented information and demonstrated the intent of using the funds to supplement the Agriculture Program. The group then traveled to Malta to visit Peaks and Prairies which is the bio-lubricant and bio-diesel business that wants to expand with the assistance of the WIRED grant. From Malta the group traveled to Culbertson and visited the Sustainable Systems plant which needs upgrading. A good relationship has been established due to the trip. Mr. Preite stated the WIRED money could be used for training but the Department of Commerce wanted to leverage the funds in a way that trains an employee for a job that is available in order to retain trained workers in the state. The Department of Commerce was looking forward to working with the local offices and other state

partner agencies. The \$15 million was a tremendous boost in the efforts to attract other funds from federal, state, and private industries and the coordinating effort has been great.

Mr. Preite introduced Gary Morehouse who developed the rules the regulations for the WIRED grant. Mr. Morehouse reviewed the rules and regulations with the Committee members and stated the WIRED money could be used for counties outside of the WIRED region and the WIRED money could be the only funding source used in that area. The WIRED money could be used for either training or equipment used in training, but no money could be used for administration. The WIRED grant was funded with H-1B dollars and was limited to businesses that were principally engaged in the production of bio-products in the WIRED region, to provide job training and related activities to assist unemployed and employed workers gain skills and competencies needed to obtain or upgrade career ladder employment positions in high growth industries and economic sectors. Mr. Morehouse stated the Department of Commerce would determine, at its sole discretion and based on the eligibility of job training costs proposed, the amount of WIRED funds that would be granted. Projects must be able to demonstrate a significant positive impact on the local area and within the region. WIRED funds would not be used for any project that involved relocation of businesses within Montana to new communities or that created a significant possibility that jobs could be lost within Montana. The Department of Commerce was requiring a minimum one dollar of matching funds to one dollar of WIRED funds.

Mr. Morehouse reported Tribal governments within the WIRED region could apply for up to \$50,000 annually for job training, curriculum development, and other job training related concepts that met WIRED eligibility requirements. No match would be required in the tribal government set-aside but using other funds was preferred in order to maximize the impact of using WIRED funds for job training activities. One project that may use the tribal government set-aside is the Culbertson project which will be a new agricultural business on the reservation and require training.

Chairman Grove asked how many applications the Department of Commerce had received. Mr. Morehouse reported the Department of Commerce had not received any applications because the rules and regulations had just been established. The Department of Commerce asked the SWIB to assist with getting the information out to the public. John Beaudry asked if WIA money could be used as matching funds. Gary Wright stated no because money is too scare but participants can receive training through the Adult and Dislocated Worker Programs or an On the Job Training Program through the local service providers. Chairman Grove asked if the process would be for the business to create the business, hire workers, provide training, and then come to the Department of Commerce. Mr. Morehouse stated the Department of Commerce would commit to the funds but will not release them until the business commits to the wage and then the Department of Commerce would reimburse as the expenditures occur. Mary Berg asked if the Department of Commerce or the Department of Labor and Industry were considering grants that would target the counties not covered by the WIRED grant. Mr. Preite stated the Department of Commerce researches grants on a daily basis and works with all of the counties. Arlene Parisot reported USDOL announced a grant required to go through an academic institute that is similar to the WIRED grant and suggested Mary Berg contact the Chancellor in Butte. Mr. Morehouse stated the Department of Commerce hoped that the WIRED funds would free up training funds to use in the remainder of the state. Mr. Wright stated USDOL will be watching the WIRED grant closely. More and more grant opportunities are coming. He asked people to contact the Department of Labor and Industry if they needed assistance. Darla Joyner stated any time Montana received new money through grants it seemed there was a rush for a new project with new programs. Ms. Joyner urged the Department of Commerce to consider businesses and training providers that are part of the

local one-stop system. Mr. Preite stated it was being considered and thanked Ms. Joyner for her comments.

### **Healthcare Taskforce Update**

Ms. Wilhelm reported SWIB member, Karen Sullivan, had been appointed as the Chair of the Healthcare Taskforce. Ms. Sullivan, who works for the Community Medical Center in Missoula, worked with Emily Lipp Sirota in the Governor's Office of Economic Opportunity to compile a list of ad hoc representatives from different sectors in the health care industry to serve on the Taskforce. Examples of the different sectors include nurses, doctors, tribal healthcare, allied health professionals, hospitals, community health centers, mental health, dental, and rural health care. The first meeting of the Healthcare Taskforce would be Friday, June 16, 2006 in Helena. The Taskforce planned to use the studies, reports, and surveys that have been conducted and completed by different entities such as the Montana Hospital Association and the University of Montana to identify the issues in the health care industry and the regions in which they exist. The Healthcare Taskforce would then research and identify the cause of the issues identified, suggest remedies, and make recommendations to the SWIB on priorities and the best places to target resources. The Taskforce would be working over the summer in hopes of having a report ready for the SWIB by September. This timeline was very short, but since the legislative process will begin in September, it was necessary in case any of the suggested remedies would require legislative action.

Chairman Grove asked what the Economic Development Committee could do to assist the Taskforce. Emily Lipp Sirota welcomed the Committee members to voice any questions or concerns and suggestions to the Taskforce. Darla Joyner asked if the Taskforce would be looking at the professional level or at all levels including medical coders. Ms. Joyner suggested the Taskforce look at the quick and less costly methods such as online classes and short time training opportunities to achieve a certificate. Ms. Parisot stated the Board of Regents had identified health care as an issue as well and they had put together advisory and data committees, and stated the committees would be happy to share information with the Taskforce. Chairman Grove asked if the Board of Regents had a representative on the Taskforce. Ms. Parisot stated the Taskforce had two representatives from the Taskforce that serve on the advisory committee for the Board of Regents. Taskforce Chair Karen Sullivan and staff member for the Taskforce, Emily Lipp Sirota, would relay information between the advisory committee and Taskforce.

### **H-1B Grants**

Chris Wilhelm reported the H-1B grants were still being awarded, and WIRED was an H-1B grant. The purpose of H-1B grants was for technical training. There were no announcements open for application. Chairman Grove asked if there was anything the Committee should be doing. Ms. Wilhelm stated staff would keep the Committee informed if any new grant opportunities become available. Chairman Grove asked to keep the H-1B Grants an agenda item for purposes of keeping the Committee updated.

### **Business Expansion and Retention (BEAR) Program**

Tom Frisby spoke to the Committee about how the BEAR Program operated in the Billings community. The BEAR program has been a collaborative community effort to provide businesses in Yellowstone County assistance to expand and increase employment and maintain a healthy, thriving economy. It has proved to be of substantial value to businesses and their employees. The Billings area started the BEAR program almost three years ago. Active programs exist in the Butte and Flathead areas and the Havre and Great Falls areas may be purchasing the program soon. The BEAR program established a database for business trends in Montana. The Billings program was comprised of a partnership that included the Big Sky

Economic Development Cooperation, Big Sky Economic Development Authority, Beartooth Resource Conservation and Development, Billings Area Chamber of Commerce, Billings Job Service Workforce Center, Montana Department of Commerce, Montana Manufacturing Extension, MSU-Billings, MSU- Billings College of Technology, and NorthWestern Energy. During the three years the program has been operating in Billings, it has provided nearly two hundred businesses with \$4 million in financing and assistance with marketing program development, government contracts, business plans, scholarships for training, web site development, and strategic planning. The examples were just a few of the over one hundred resources available to businesses. Over 850 new jobs have been created as a result of the BEAR Program and its 35 volunteers. The Governor's Office of Economic Opportunity purchased the license for the BEAR program to be used statewide so the cost would be minimal. Chairman Grove asked where the BEAR program originated. Mr. Frisby stated Linda Beck from the Big Sky Economic Development Authority attended a conference and received information regarding the Executive Pulse Point software from Pennsylvania. Chairman Grove asked if the program served only the city of Billings. Mr. Frisby stated that the program also served Sweet Grass and Stillwater Counties, and rural communities. Maureen Kenneally stated she served on the team in Butte and asked Mr. Frisby how he calculated the 850 jobs. Mr. Frisby explained the numbers were calculated through yearly interviews of BEAR businesses that are done in order to keep aggregate data. Chairman Grove asked to keep the BEAR program on the agenda for the Committee.

### **Montana Arts Council**

Cinda Holt reported the 1967 legislature formed an agency of State Government charged to create a positive difference to the citizens of Montana through arts and brand Montana as the "Land of Creativity". The workforce employed in the arts had grown three times which was more than any other workforce in the state, and 69 percent of those employed have been underemployed. Ms. Holt stated that if the state merged resources more people could be reached and the artists could remain in the state instead of leaving. The Folklife Program funds apprenticeships for folk art masters to pass on their skills to apprentices in order to promote the continuity of folklife in communities which created a lasting record and promoted public awareness and appreciation of the state's folklife and folk arts and artists. Chairman Grove agreed to meet with Ms. Holt before the next Committee meeting and discuss the information presented.

### **Future Presentations and Projects**

The Committee agreed to keep the BEAR Program's transition to a statewide program and the status of H-1B grants on the future agendas. The Committee added the State's Energy Policy and Maureen Kenneally accepted responsibility for finding information regarding the market and demand for bio-diesel.

The Committee discussed taking a tour of the Kalispell Business Center or holding a meeting in Butte in the future. Tom Frisby stated the Committee had a standing invitation to meet at the Billings Job Service Workforce Center.

### **Set Next Meeting/Conference Call**

The committee members agreed to meet in conjunction with the SWIB meeting to be held August 31 through September 1, 2006.

### **Adjournment**

John Beaudry moved to adjourn and Maureen Kennelly seconded the motion. With no further business, the meeting was adjourned at 4:00 p.m.